

§ 54B-194. Service corporations.

(a) Any association or group of associations whose principal offices are located within this State, may establish service corporations under the provisions of Chapter 55 for corporate organization, provided that the Commissioner of Banks receives copies of the proposed articles of incorporation and bylaws for approval, prior to filing them with the Secretary of State. Any such association may also invest in the capital stock, obligations or other securities of existing service corporations.

(b) No State association may make any investment in service corporations if its aggregate investment would exceed ten percent (10%) of its total assets.

(c) Service corporations shall be subject to audit and examination by the Commissioner of Banks, and the cost of examination shall be paid by the service corporation.

(d) The permitted activities of a service corporation shall be described in the rules and regulations as promulgated by the Commissioner of Banks. In addition, a service corporation may engage in those activities which are approved for service corporations owned solely by federal associations who have their principal offices in this State, unless such activities are prohibited by the Commissioner of Banks.

(e) The location of the principal and branch offices of a service corporation must be approved by the Commissioner of Banks. (1981, c. 282, s. 3; 1981 (Reg. Sess., 1982), c. 1238, s. 20; 1989 (Reg. Sess., 1990), c. 806, s. 11; 2001-193, s. 16.)